

15 March 1984

MEMORANDUM FOR THE RECORD

FROM:

[redacted]
Assistant to the DD/Pers/SP

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SUBJECT: House Hearing on Supplemental Retirement Program;
13 March 1984

1. On 13 March 1984, the undersigned and [redacted] (OLL) attended the fourth in a series of five hearings on a Supplemental Retirement System sponsored by the House Committee on Post Office and Civil Service chaired by Congressman William D. Ford. Testimony at this hearing was from representatives from several Federal Employee Associations, the National Association of Retired Federal Employees and a public policy organization specializing in the study of pay and benefits.

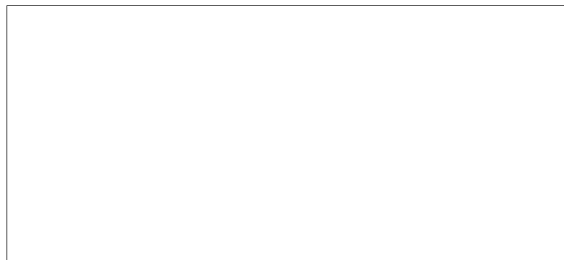
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2. For the most part, the hearing followed closely the scheduled agenda and formal written testimony (copies attached) with the latter being either read orally or briefly summarized by the testifiers. Of particular importance is the sentiment expressed to the association groups by Ford, whereby he chastized them for being too willing to accept the status quo. He spoke for over 30 minutes of his belief and conviction that the current situation provides a genuine opportunity to improve the federal retirement systems, that without the passage of the Social Security amendments and the resulting requirement for a supplemental plan, only debates over cutbacks in benefits would be taking place at this time with OMB and OPM. As it stands, a real opportunity has been opened up for the first time to say what a retirement system should do and what the requirements are. He felt that the time was long past where the government can treat managers the same as low-graded personnel and that perhaps the needs of short-term versus longer-term employees need to be addressed differently. He went on to say that he did not believe the current system to be efficient enough. Improvements were needed and he did not see enough fire in the bellies of the employee groups testifying before the committee--too much of a willingness to accept status quo. He stated that money was going to be tight and that gaining improvements would not be easy. He asked the organizations to look at the entire issue and needs and think about what type of system will work to meet employees' needs (long-term, short-term etc.). He further stated that the characteristics of the system must be reviewed and that the issues were way past replicating the old system in the new one.

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3. Ford's comments were well received by the associations representatives who stated that their comments were intended to mean that a lessening of benefits would be unacceptable. The representatives of the Federally Employed Women's organization stated this was particularly true of females in the work force, citing the low salary and pension figures contained in her formal testimony.

4. In addition to Congressman Ford, Committee members also attending the House Hearing were: Donald J. Albosta, Mary Rose Oakar, and Frank Wolf.



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